GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2898
ANSWERED ON:21.03.2002
LOSSES SUFFERED BY BRPL
JAGMEET SINGH BRAR;MONI KUMAR SUBBA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Bongaigaon Refinery and Petrochemicals Limited has suffered and accumulated losses during the last few years;

(b) if so, the details and reasons therefor; and

(c) (the remedial measures taken to wipe out such losses and to run the company on profit?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) Bongaigaon Refinery and Petrochemicals Limited (BRPL) suffered a net loss of Rs.57.44 crore for the first time during 2000-2001. In the current financial year, it has reported a loss of Rs.179.31 crores during the first three quarters.

(b) The main reason for the losses is the lower capacity utilisation of the refinery and idling of plants resulting from non availability of enough Assam crude oil. Further, petrochemicals unit of BRPL is non-competitive in today's business environment.

(c) In March, 2001 Government has dis-invested its entire share holding in BRPL in favour of Indian Oil Corporation Limited (IOCL). BRPL has also initiated steps for reducing cost like better fuel management, reduction of administrative expenses etc. The Government has recently granted 50% excise duty exemption to the products cleared from North East Refineries.